

STATEMENT OF BRUCE BABBITT  
SECRETARY OF THE INTERIOR  
BEFORE THE SENATE COMMITTEE ON INDIAN AFFAIRS

March 8, 1995

I am delighted to be here today to testify about an issue of great importance not only to the Interior Department, but to the Congress and American Indian tribes as well. We call it the Bureau of Indian Affairs re-organization effort, but what we are really talking about is the modernization of the way this government carries out its special legal responsibilities and delivers services to American Indian Tribes consistent with the government to government relationship that exists between the United States and tribal governments.

That the Bureau of Indian Affairs needs re-organization is something about which there is virtually universal consensus. All of us, including the Congress, the tribes and the Department, have invested a hefty amount of time and effort over the past twenty years examining the BIA and its processes and structure. Every report, study, and recommendation calls for a lessening in the role of the BIA in the day-to-day affairs of tribal governments, and the assumption of greater degrees of decision-making authority over the management of tribal resources by the tribes.

Yet, we cannot and must not lose sight of the fundamental fact that the United States has a unique obligation to American Indian and Native Alaska tribes. This obligation, the federal Indian trust responsibility is fundamental to the Federal-Indian relationship, and, as such, the United States has a special, legally enforceable duty to ensure that its obligations are carried out.

Past efforts to reduce the federal presence in Indian Affairs failed because little or no attention was given to the need to maintain the special trust relationship. In the 1950's, such a reform effort resulted in termination policies, which so devastated tribal communities that the Senate expressly condemned the termination policy in a special concurrent resolution enacted on June 28, 1973. Termination was a social, political, and economic disaster of such magnitude that even today the tribes are wary of BIA reorganization efforts and demand, rightfully so, the right to participate in any reorganization plan to ensure protection and preservation of their special political and legal status.

This Federal-Indian relationship is firmly rooted in the law of this great nation. The Constitution of the United States carves out the special relationship between the Federal government and the tribes, and all subsequent Supreme Court doctrine affirms the special legal and political status of Indian tribes. Accordingly, any steps we take to reform and modernize the Bureau of Indian Affairs must include mechanisms which enable the Department to fulfill its trust responsibilities as set out in treaties, legislation, executive orders, and legal opinions.

Having set out the framework for the task before us, I turn now to the Bureau, and how we envision its reform. It goes without saying, that in addition to preserving the ability to carry out the federal trust responsibility, we must maintain the capability to carry out certain core functions as required by treaty and statute. We must also recognize that tribal needs vary, and some tribes may be in a better position to assume BIA operations than others, and that appropriate timeframes for these tribes may vary.

As you know, we are now in the last critical phase of this Administration's initiative to reinvent government. The Department of the Interior has been a leader in this effort and the Bureau of Indian Affairs, like other bureaus in the Department, has been directed to develop a streamlining plan. This effort has been directed by the guiding principles and recommendations of the Joint Tribal/BIA/DOI Task Force on Reorganization of the BIA.

The Task Force, in full partnership with the Tribes, held 22 meetings over the past four years to develop final recommendations for reorganizing the Bureau. Although the Task Force began its work before the Reinvention Initiative, many of its recommendations were consistent with those developed in the National Performance Review.

The Task Force completed its work in August, 1994, and issued a final report in January, 1995. There were a total of 44 recommendations made by the Task Force. All but two are in keeping with the objectives of the National Performance Review and will provide guidance in refitting the BIA to meet the needs of the Tribes.

Subsequent to this, the BIA also developed options for fulfilling the mandates of the National Performance Review. As part of the development of these options, both the Assistant Secretary and I consulted with tribes throughout the twelve Bureau Areas during the month of January 1995. During these meetings, the streamlining proposals were explained and provided to the Tribes for comment. In December and January, I personally met with tribes in the Phoenix, Oklahoma, and Sacramento Areas and I heard first hand the tribes' comments on the Bureau's streamlining proposals. In all of these meetings, tribal leaders expressed their

support for the continuing existence of the Bureau of Indian Affairs. However, they are at the same time interested in seeing the Bureau become an organization that is more responsive to tribal needs and more capable of fulfilling its special fiduciary responsibilities to the tribes.

After examining the alternatives, we strongly believe that the ultimate mechanisms for restructuring and streamlining the Bureau can be found in the self-determination and self governance processes. The opportunity to accelerate this effort was presented by Congress in Pub. L. 103-413, the law making permanent the self governance project. The Bureau will utilize existing processes to expand the scope of contracts and compacts to include program oversight activities currently held at either Area or Headquarters level. Using the Central Office tribal share formula developed and mandated by the Self-Governance law, tribal shares will be determined for both self-governance tribes and tribes currently contracting under the authority of Pub. L. 93-638. These share would then be transferred to individual tribal priority allocation accounts at the tribe-agency level. As more tribes assume the management of programs and services to their members through self governance compacts and self determination contracts, Bureau staffing will be reduced to a level that will allow the Bureau to meet only those functions that have not been compacted or contracted to the Tribes.

Under the self-determination and self-governance policies, I believe that the Bureau's mission is to support tribal governments. Tribal concerns are best addressed at the tribal level. The Bureau, on the other hand should be focused on carrying out those functions which are appropriate to fulfilling its legal responsibilities to tribes as defined by treaty, statute, executive order, or in case

law consonant with the government-to-government relationship and guided by the policies of self-determination and self-governance.

I appreciate the concern of the tribes that the savings resulting from reductions in Bureau FTEs and administrative streamlining must be available to tribes so that greater opportunities for self-determination and self-governance are realized.

Beyond FY 1997 through FY 1999, the Bureau will continue its internal examination to determine where further consolidations and streamlining should occur to continue improvement of the Bureau's efficiency.

In summary, I urge you to support the restructuring efforts now underway. I also urge you to support the tribes' recommendation that all savings from this effort will be redistributed to the tribes for reinvestment in Indian Country.

I pledge to you our commitment to work with this Committee, the Congress, and Indian tribes to reorganize the Bureau to be more responsive to the needs of tribal communities.

This concludes my prepared statement. I will be happy to respond to any questions that the Committee might have.